Health IT Cluster Report
Presented to CWIB
June 16, 2011

nova | WORKFORCE DEVELOPMENT

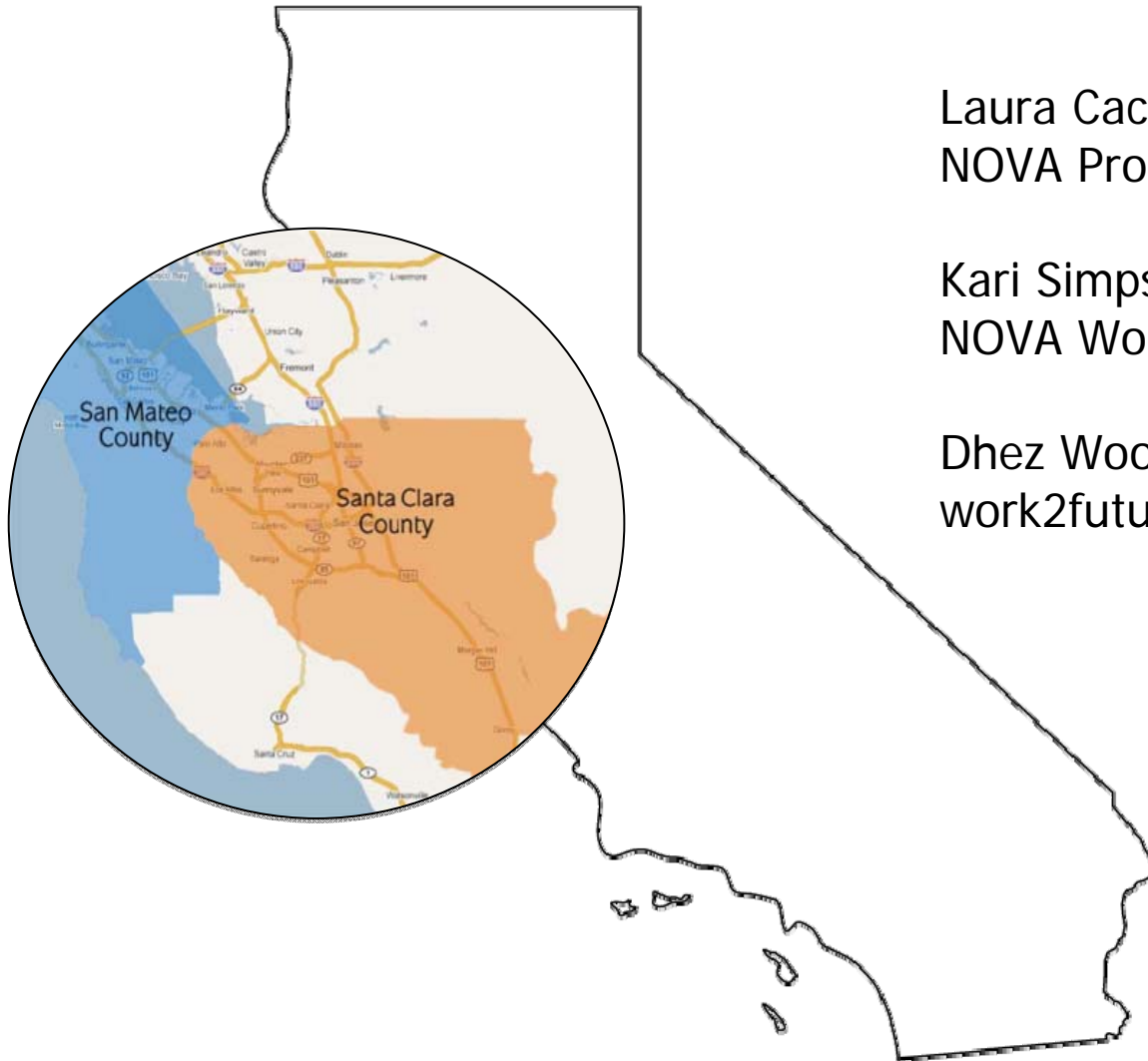work2future
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Introduction

Laura Caccia
NOVA Program Manager

Kari Simpson,
NOVA Workforce Development Analyst

Dhez Woodworth
work2future Economic Development Officer

Agenda

Silicon Valley's RICO Background & Process

Key Lessons Learned

RICO Relationships & Lessons to Leverage

Elaine Hamilton
Principal, MMHamilton Financials
RICO Project Chair

"This process exposed employers and stakeholders to all sorts of new ideas and relationships…across all regions of California. We developed a common language"

Likely Health IT Cluster

Steady Healthcare Growth

Innovative IT Sector

Companies "Doing Stuff" Here

Approach

Research & Evaluation

Stakeholder Engagement

Employer Discussion

Continuous Re-Evaluation

Detailed RICO Efforts

- Consultation of Health IT background and secondary literature review

- Direct survey of Silicon Valley 200 healthcare employers (NOVA study)

- Key informant interviews with employers in healthcare, focusing on Health IT

- Both informal and semi-structured interviews and meetings with healthcare, educational, information technology, non-profit and government partners

- Referral requests by asking all key informants for other contacts to help build the cluster value chain and develop stakeholders

- Consultation meetings and workshops with stakeholders

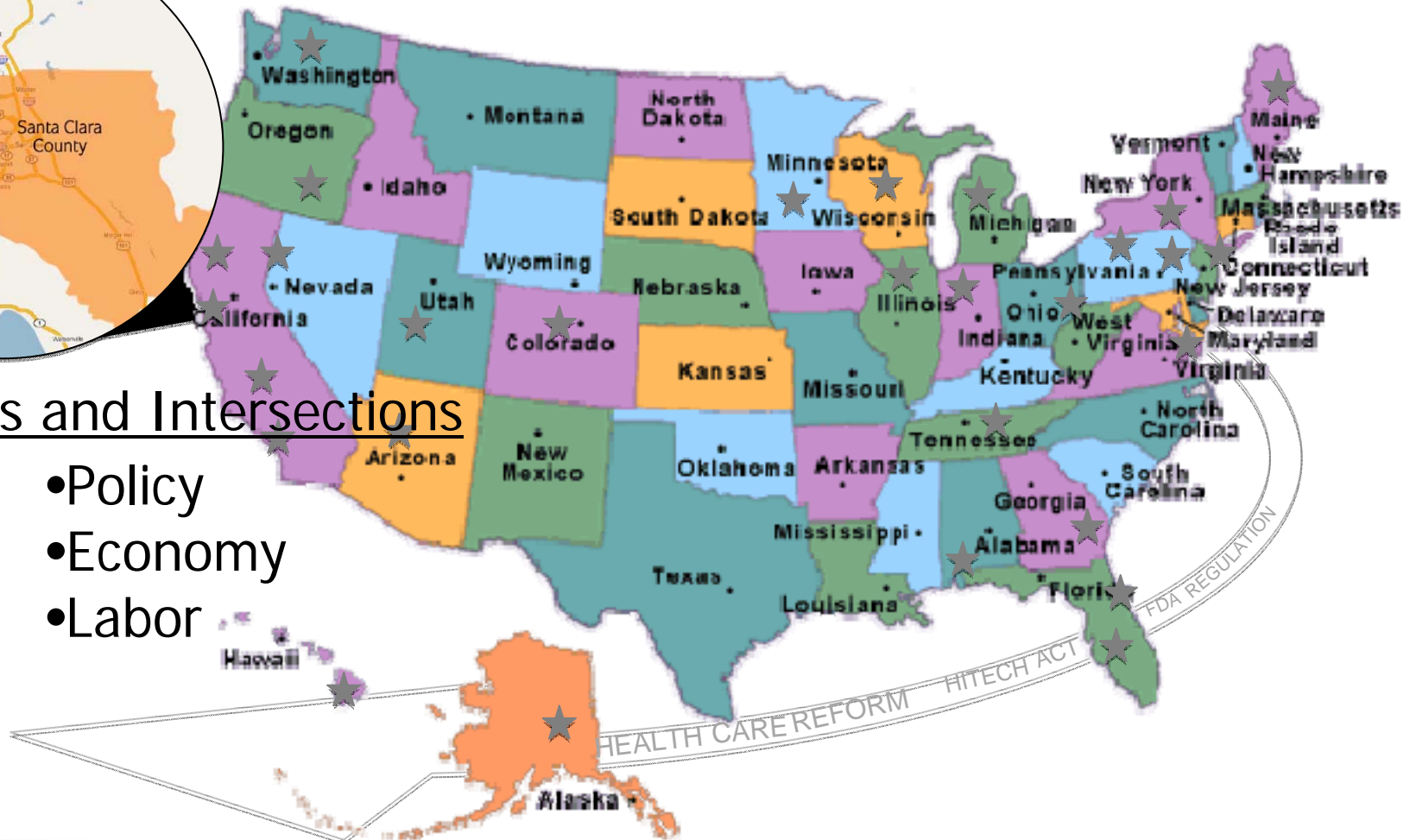- Continuous evaluation and re-evaluation of cluster data definitions

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Regional & National Perspectives

Impacts and Intersections

- Policy
- Economy
- Labor

HEALTH CARE REFORM   HITECH ACT   FDA REGULATION

Key Lessons Learned

Elaine Hamilton
RICO Project Chair

"Our challenge is around human capital and human capital planning.
How do you train or prepare people for emerging and changing markets?"

"In order to help out job stimulation, these companies will need need capable people."

Overview: Key Lessons Learned

Expanded Cluster Definition and Found:

- IT Sector within a Healthcare Vertical

- Changes Needed in Workforce Training

- Innovation Spelled "S-I-L-I-C-O-N-V-A-L-L-E-Y"

- Emerging Health IT Cluster with Support from Economic Development

- Potential Barriers Could Prevent Cluster Emergence
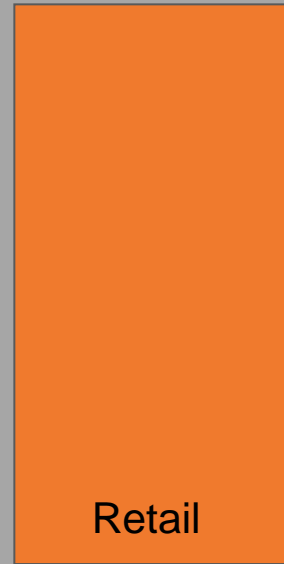
IT Sector with a Healthcare Vertical
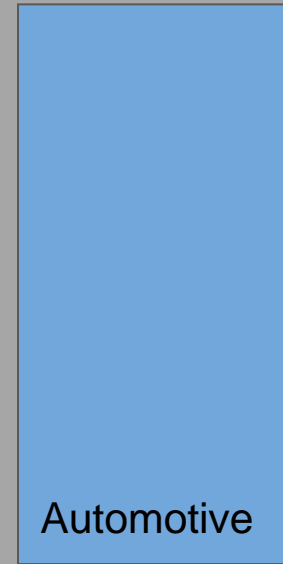
Information Technology

| Banking | Healthcare | Retail | Automotive |

"Medical is the largest wireless LAN growth sector."

Keerti Melkote

Founder, Aruba

Networks

Impact Workforce Training (Healthcare)

Linguistic and Cultural Representation

Integrate IT into Practicum & Curriculum
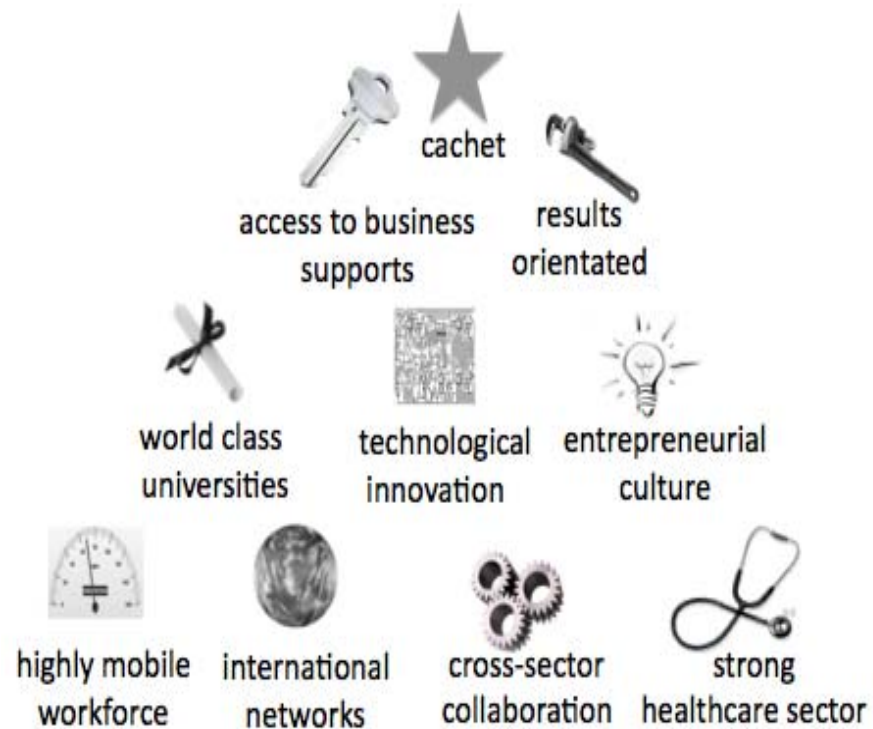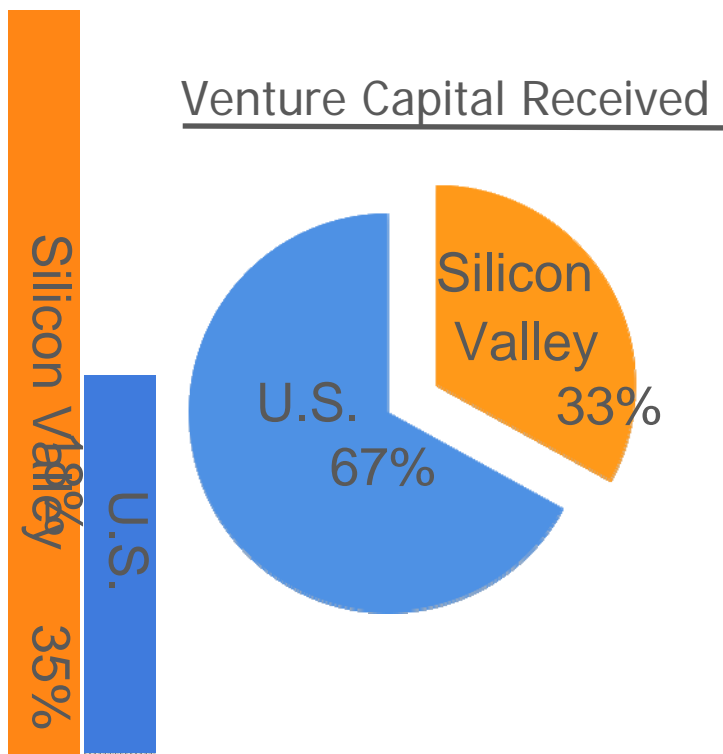
Increase Experiential Learning Opportunities

Rapidly Changing Workforce Requirements
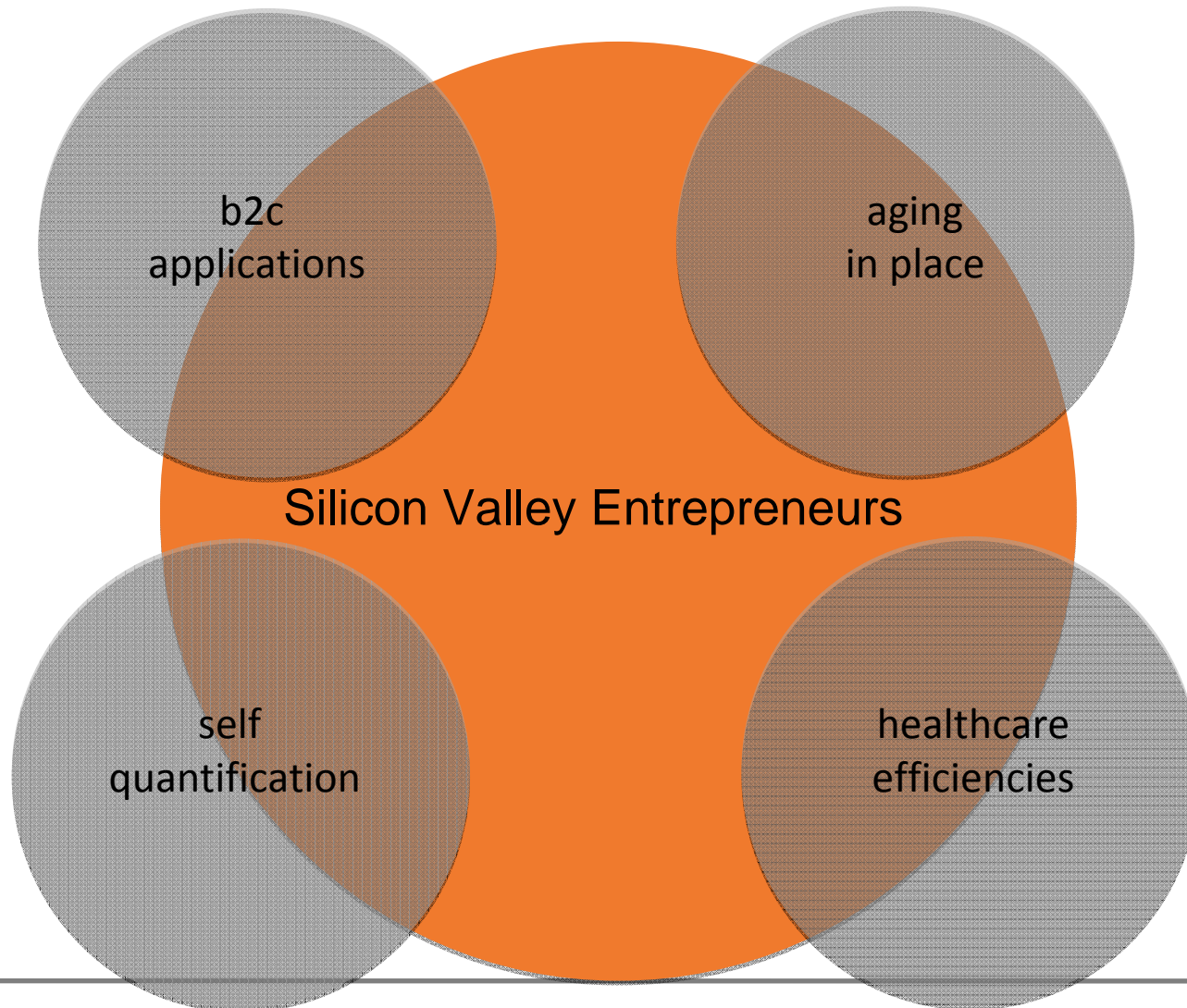
Inherent to Silicon Valley

Regional Success Factors

Jobs Focusing on Creation

Venture Capital Received

Silicon Valley 33%

U.S. 67%

Silicon Valley 35%

U.S. 18%

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access to business supports

results orientated

world class universities

technological innovation

entrepreneurial culture

highly mobile workforce

international networks

cross-sector collaboration

strong healthcare sector
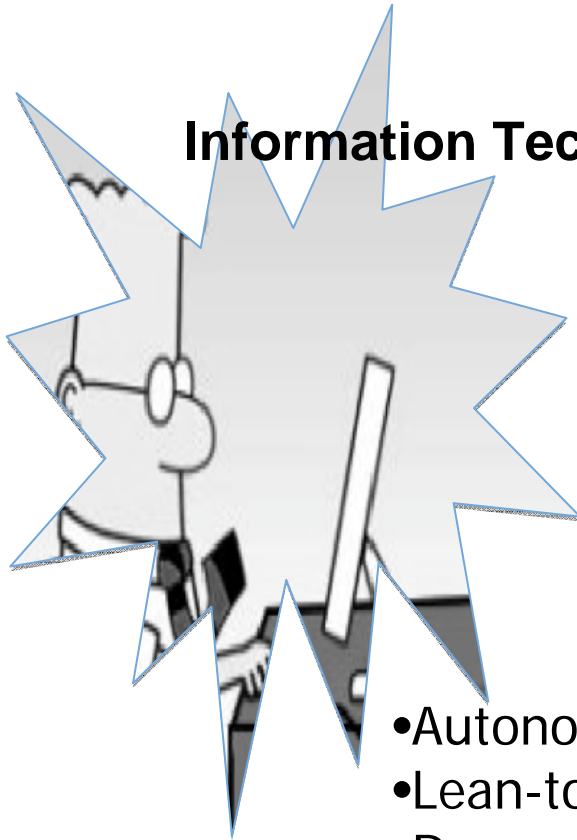
Emergent Health IT Cluster

Cultural Conflicts

Information Technology

V.S.

Healthcare

- Autonomy
- Lean-to-Market
- Demonstrated Skills

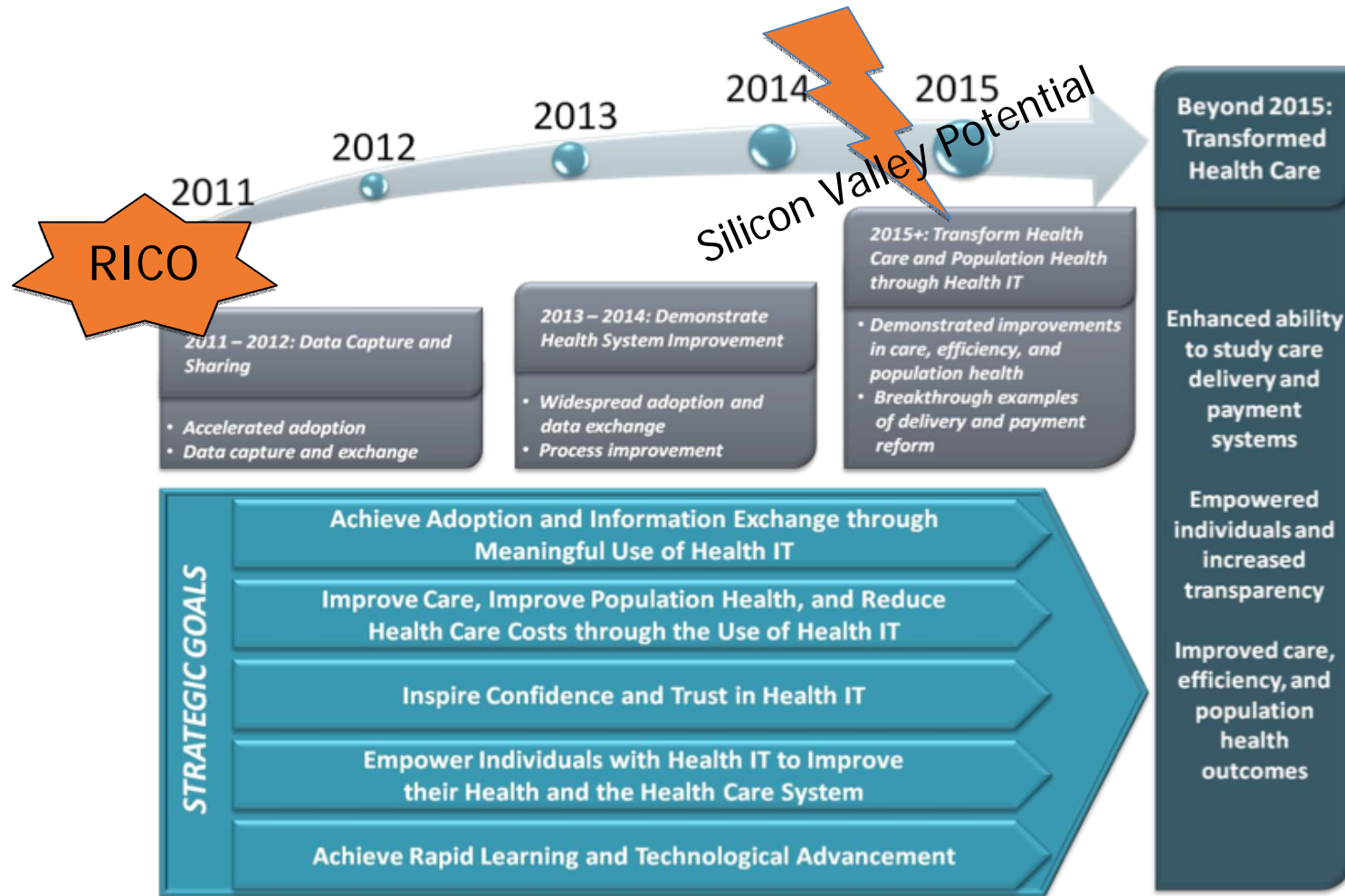- Heavy Regulation
- Risk Averse
- Knowledge

Policy Barriers

IT as Device & Regulation

FDA Review

Timing and Market Variables

Elaine Hamilton
RICO Project Chair

"This was a common effort going forward.
These companies are no longer so segmented."

"NOVA [WIBs] can take a leadership role. We can be a resource: providing information, connecting industries and stimulating conversation."

"This was a common effort going forward.
These companies are no longer so segmented."

"Sector identification is the thing that gives us the proactive approach. It's tremendously critical from an employer standpoint and a jobseeker standpoint."

Looking to the Future

Build upon relationships and key lessons learned

Broad Goals:

1) Impact training institutions for ever-evolving workforce need.

2) Align economic development strategies to support entrepreneurs & inventors.

Opportunity
NEXT EXIT

Growth

- Connect IT & Health Sectors
- Strengthen Education & Industry Ties
- Support Entrepreneurs
- Continue WIB Sector Work & Exploration

Connect IT & Health Sectors

•**Strategy: better integrate IT into current healthcare training models**

•**Actions**

•Work with educational and employer partners to discover and leverage mission critical skills needed by employers

•Better integrate RICO employers into current systems of advisory (or teaching) roles for community college and university partners (including smaller health/IT entrepreneurs)

•Explore different funding sources to sponsor integration of IT into training of new & incumbent healthcare workers

•**Targeted Outcomes**

•Better trained, more flexible and more productive, incoming and incumbent workforce with appropriate technological skill to function in a modern healthcare setting

•Understanding of skills (mission critical skills needed by organizations) to ensure alignment of training and industry need

•Sandbox opportunities for students to work directly with various Health IT applications and vendor products in a simulated environment

Strengthen Education & Industry Ties

•**Strategy: create funding models to increase applied work experiences**
•**Actions**
•Work with educational and employer partners to discover and leverage funds for applied work experiences and create alternate methods of applied work experiences (including shared trainers, shared training spaces) and best practices
•**Targeted Outcomes**
•Creation of funding streams to support workforce training dollars for on-the job-training or internships/apprenticeships (including shared risk management pool)
•Increased number of applied work experiences for students and jobseekers

•**Strategy: position educational institutions as assets to industry**
•**Actions**
•Inform educational curriculum with industry input and increase avenues for experiential learning for students or university research for employers
•**Targeted Outcomes**
•Pipeline opportunity for industry partners and students
•Increased educational partner relevancy and integration with industry

Support Silicon Valley Entrepreneurs

•**Strategy: facilitate easier entry (to-market) and success for entrepreneurs**

•**Actions**
•Create or leverage education aimed at inventors and entrepreneurs such as self-employment or entrepreneurism training, social media, professional development, patent law or regulations, and marketing (including b2b and b2c)
•Provide information about regional partners offering entrepreneurial workforce supports for those interested in starting a business

•**Targeted Outcomes**
•Better trained, more flexible and more productive workforce (for inventors, entrepreneurism, contracting, and small business)
•Creation of new data exchange systems through connected partners
•Clearinghouse of sector-specific economic development and workforce development resources

Workforce Board Actions

- Convene WIB sector task forces to continually update and expand program offerings as relevant to industry.

  - Share sector projects and findings across workforce investment areas.

  - Work with educational partners to gthen or add IT curriculum

  - Pursue new training opportunities for job seekers, including innovation or entrepreneurship preparation.

- Host future industry panels (healthcare and IT) to foster collaboration with workforce partners.

THE END – thank you!

Questions &

Answers